

Exhibit L

Land Held for Future Development

Exhibit L reports on land acquired with housing funds and held by agencies for future development (refer to Exhibit C-2 which shows \$196,859,079 as the total value of land holdings). Agencies report the following information about landholdings: site, acreage, zoning, purchase date, and estimated date that development is anticipated to start.

Development of affordable housing on land holdings is required to be initiated within five years of site acquisition unless agencies adopt a resolution for an additional five-year extension. To ensure agencies either develop the land within the required time period or sell the land and deposit the proceeds to the Low-Mod Fund, redevelopment law was amended in 1999 (Senate Bill 497, Rainey) requiring agencies' independent auditors to determine agency compliance as part of the agency's annual audit. Applicable audit findings are required to be provided to the State Controller who reports major violations such as failure to develop or dispose of land to the Attorney General for action.

Statewide, 104 agencies reported a combined total of 1,503 acres consisting of 411 separate sites for future development of affordable housing. For the previous reporting year, 94 agencies reported 332 sites representing 1,306 acres.

Some discrepancies appear among the number of agencies reporting land holdings in Exhibit L compared to the number of agencies reporting the "Value of Land Purchased and Held for Development" in Exhibit C-2. Exhibit C-2 shows 68 agencies reported on value of land holdings whereas 104 agencies reported information on sites held for future development in Exhibit L.